



December 7, 2005 Project No. 2028-0031-01

Mr. Michael Smith California Regional Water Quality Control Board Central Valley Region 11020 Sun Center Drive Rancho Cordova, California 95670

Re: Letter Report

Nella Oil Company Station No. 31

12008 Plaza Drive, Grass Valley, California

Dear Mr. Smith:

Stratus Environmental, Inc. (Stratus), on behalf of Nella Oil Company (Nella), is submitting this Letter Report for Nella Station No. 31 (the site), located at 12008 Plaza Drive, Grass Valley, California (Figure 1). The California Regional Water Quality Control Board (CRWQCB) is currently in the process of closing the environmental oversight case for this site. In a letter dated November 28, 2005, and in electronic mail correspondence, CRWQCB personnel have requested that additional information be submitted to supplement a *No Further Action Request* previously submitted for the property by Stratus.

The following two subsections of this report discuss information requested by the CRWQCB in the November 28, 2005 letter and electronic mail correspondence. Italicized items are questions or observations of concern to the CRWQCB; bolded text items are interpretive discussions prepared by Stratus in response to the CRWQCB item of concern.

1. During the most recent groundwater sampling event at the site (second quarter 2005), the fuel additive methyl tertiary butyl ether (MTBE) was reported in the sample collected from monitoring well MW-3 at a concentration of 11 micrograms per liter (µg/L). This MTBE concentration exceeds the CRWQCB water quality objective (WQO) of 5 µg/L, which represents the taste and odor threshold and California's secondary maximum contaminant level (MCL) for MTBE. The estimated time necessary for MTBE concentrations to meet the WQO at well MW-3 must be calculated.

MTBE concentrations in well MW-3 show a declining trend since groundwater sampling was initiated in December 2002. Annual average MTBE concentrations in well MW-3 have

decreased from 19 μ g/L (2003), to 13.4 μ g/L (2004), to 11.5 μ g/L (2005, 2 sampling events). Using these annual average MTBE concentration data, Stratus has prepared an interpretive graph extrapolating the estimated time necessary for MTBE concentrations at well MW-3 to reach the 5 μ g/L MCL established by the State of California for MTBE (see Figure 2). Given our extrapolation of future MTBE concentrations using historical analytical data, Stratus estimates that MTBE concentrations at well MW-3 will reach the 5 μ g/L water quality objective in 2007.

2. Briefly discuss possible sources for the high petroleum hydrocarbon concentrations reported in grab groundwater samples collected in 2001 (by GHH Engineering, Inc.) at the time of product delivery line and fuel dispenser replacement.

Stratus is unable to precisely identify the source of any motor vehicle fuel released to the subsurface. However, the impacted groundwater samples recovered by GHH Engineering personnel in 2001 were collected from the area between the central and western UST (Sampling Report, GHH Engineering, March 2002). Based on this information, our understanding of the site, and the limited lateral extent of groundwater impact, a small quantity of motor vehicle fuel may have been released from one of the product lines that formerly connected to the central or western UST.

As stated in the No Further Action Request, a vacuum truck was utilized to remove residual groundwater encountered during exposure of the product line trenches and the top of the underground storage tank complex. The consistent absence of petroleum hydrocarbons (total petroleum hydrocarbons a gasoline, benzene, toluene, ethylbenzene, and xylenes) in the groundwater samples collected from the monitoring wells, and the very low MTBE concentrations in groundwater, appears to confirm that the extent of petroleum hydrocarbon impact beneath the site is of very limited extent.

Scott G. Bittinger

No. 7477

If you have any questions, or require further explanation, please call Jay Johnson at (530) 676-6000 or Scott Bittinger at (530) 676-2062.

Sincerely,

STRATUS ENVIRONMENTAL, INC.

Jay R. Johnson, P.G.

Senior Project Geologist

Suff Both Both Mar. Scott G. Bittinger, P.G.

Project Manager

Attachment:

Figure 1

Site Plan

Figure 2

Annual Average MTBE Concentrations in Ground

Well MW-3

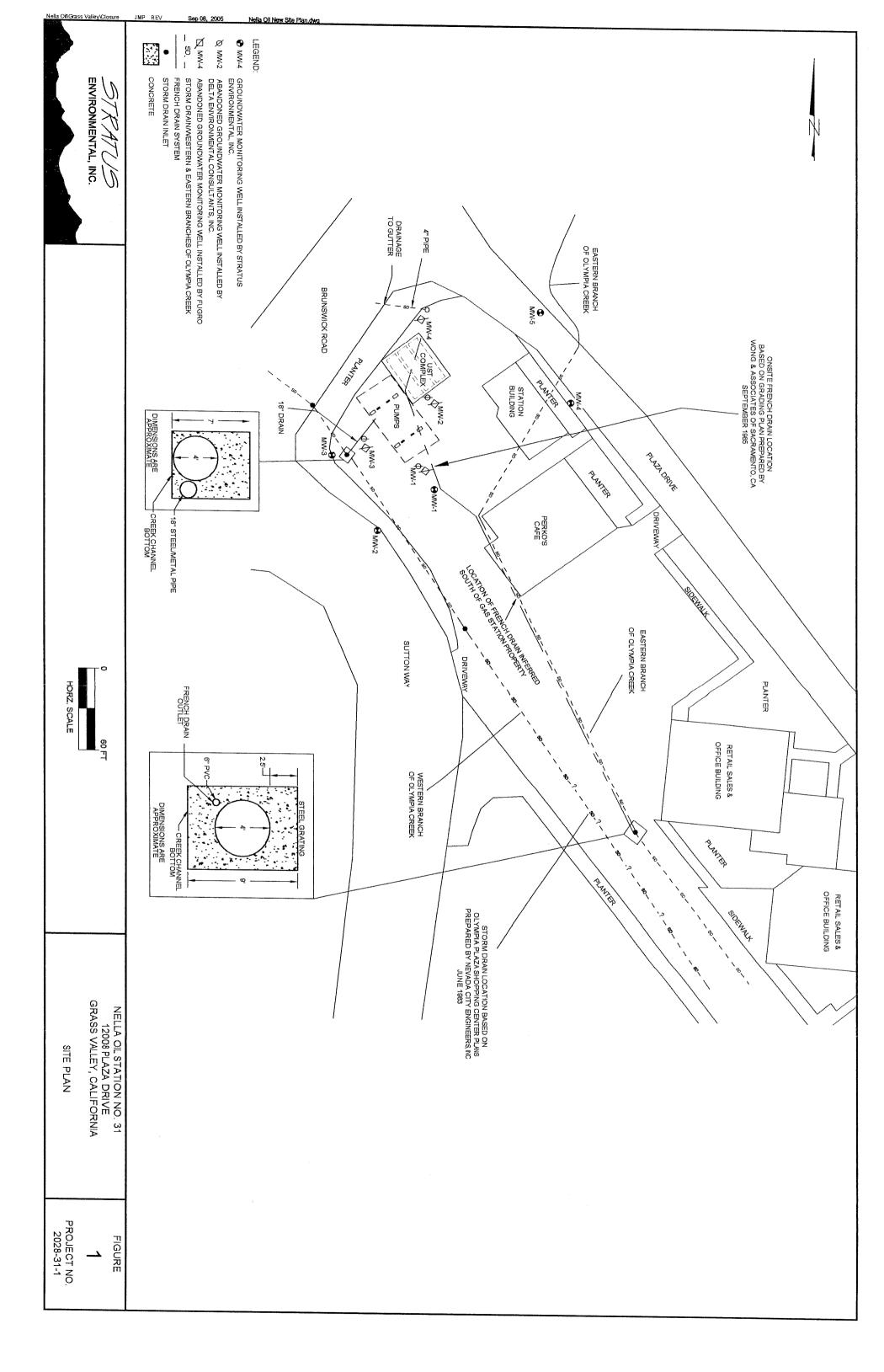
cc:

Ms. Amanda Massey, Nella Oil Company

Mr. Markus Niebanck, Nella Oil Company

Ms. Julia R. Amaral, Property Owner

Mr. David Huff, Nevada County Environmental Health Department



5 ppb secondary MCL Year 13 ppb primary MCL Concentration (ppb) α

Figure 2 Annual Average MTBE Concentrations in Groundwater, Well MW-3